

13.2.2 ANNUAL REVIEW - DEVELOPMENT CONTRIBUTION PLANS

Director: C Terelinck
 Author's Declaration Nil
 of Interest:
 Reference No: LA20/00009, LA20/00010, LA20/00011, LA20/00012, LA20/00013
 Previous Ref: OCM 24 September 2019 (Resolutions 251–255), OCM 23 June 2020 (Resolutions 167-168)
 Appendices: 13.2.2A Draft modified Canning Vale Outline Development Plan - Development Contribution Plan Report
 13.2.2B Draft modified Homestead Road Outline Development Plan - Development Contribution Plan Report
 13.2.2C Draft modified Maddington Road Precincts A and B Outline Development Plan - Development Contribution Plan Report
 13.2.2D Draft modified Southern River Precinct 1 Outline Development Plan - Development Contribution Plan Report
 13.2.2E Draft modified Southern River Precinct 2 Outline Development Plan - Development Contribution Plan Report

PURPOSE OF REPORT

For Council to review the Development Contribution Plan Reports (DCPRs) associated with the Canning Vale, Homestead Road, Maddington Road Precinct A and Precinct B, Southern River Precinct 1 and Southern River Precinct 2 Outline Development Plans (ODP), as required by Part 5 of Town Planning Scheme No. 6 (TPS 6).

BACKGROUND

The City administers Development Contribution Plans (DCPs) for the shared provision of infrastructure and land for public purposes in the Canning Vale, West Canning Vale, Homestead Road, Southern River Precinct 1, Southern River Precinct 2, Maddington Road Precincts A and B and Central Maddington ODP areas, and is required to review the associated DCPRs annually.

It should be noted that the report does not relate to the following DCPRs:

DCPR	Reason
West Canning Vale	All of the parent lots have made contributions and the DCP will be discontinued in the near future.
Central Maddington	The City is undertaking a detailed review of the infrastructure design and costs.

Subsequent reports will be presented to Council on each of the above DCPRs, in due course.

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Each of the DCPs have contribution obligations for Public Open Space (POS) and general infrastructure, with the exception of the Southern River Precinct 1 DCPR, which only involves general infrastructure.

A summary of the most recent history of each DCP reviewed in this report follows:

Area	Most recent review	Infrastructure Contribution Rate	Adopted Land Valuation
Canning Vale	OCM 24 September 2019	\$63,487/ha	\$2,000,000/ha
Homestead Road	OCM 24 September 2019	\$188,000/ha	\$1,100,000/ha
Maddington Road Precinct A	OCM 24 September 2019	\$109,400/ha	\$1,050,000/ha
Maddington Road Precinct B	OCM 24 September 2019	\$86,300/ha	\$1,050,000/ha
Southern River Precinct 1	OCM 24 September 2019	\$91,300/ha	Not Applicable
Southern River Precinct 2	OCM 23 June 2020	\$107,900/ha	\$1,250,000/ha

DISCUSSION

Public Open Space

Land valuation rates must be set to ensure adequate funds are collected to acquire land identified for POS and to determine the amount of reimbursement payable to landowners for the acquisition of such land.

In 2018, the City engaged McGees Property to provide land valuation reports until 2023. The latest valuations were undertaken in June 2020, with the recommended values being as follows.

Area	June 2020 Land Valuation
Canning Vale	\$1,950,000/ha
Homestead Road	\$1,050,000/ha
Maddington Road A	\$1,000,000/ha
Maddington Road B	\$1,000,000/ha
Southern River Precinct 2	\$1,200,000/ha

It is recommended that Council modifies the respective DCPRs accordingly.

General Infrastructure

General infrastructure costs are comprised of two elements; land acquisition (being land for drainage, road widening and conservation purposes) and physical infrastructure (including drainage construction, POS development, path construction, road construction, traffic management devices, service relocation and general administration).

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Land

The review of the value of the land components is based on the same valuation information obtained in relation to POS, as above.

Infrastructure

The review of the estimated cost of physical infrastructure is based on either (i) an average of the Building Construction, House Construction and Road/Bridge Construction indices for Western Australia, as provided by the Australian Bureau of Statistics (ABS) or (ii) the annual Consumer Price Index (CPI), whichever is greater. In this case, the CPI of 2.2% was higher than the averaged index of 1.3%.

The use of the CPI and revised land valuation (as discussed above) results in the following changes to the DCPRs.

Area	Previously adopted infrastructure rate	Current recommended infrastructure rate
Canning Vale	\$63,487/ha	\$64,884/ha
Homestead Road	\$188,000/ha	\$191,000/ha
Maddington Road A	\$109,400/ha	\$111,800/ha
Maddington Road B	\$86,300/ha	\$88,200/ha
Southern River Precinct 1	\$91,300/ha	\$92,100/ha
Southern River Precinct 2	\$107,900/ha	\$103,100/ha

It is recommended that Council modifies the respective DCPRs accordingly.

CONCLUSION

TPS 6 requires Council to review the cost sharing arrangements operating within the district. It is recommended that Council adopts revised Development Contribution Plan Reports with revised contribution rates as contained in Appendices 13.2.2A, 13.2.2B, 13.2.2C, 13.2.2D and 13.2.2E. It must be noted that the stated appendices are revised DCPRs which contain modified figures and values. These reports should be referred to for details regarding the operational aspects of the relevant DCP.

FINANCIAL IMPLICATIONS

The proposed changes to the contribution rates will have an impact on the contributions payable by developing landowners and the amount of money that can be reimbursed to developing landowners for infrastructure provided.

STATUTORY IMPLICATIONS

Town Planning Scheme No. 6.

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VOTING REQUIREMENTS

Simple Majority required.

STAFF RECOMMENDATION AND COUNCIL RESOLUTION (1 OF 5)

275 Moved Cr A Hort Seconded Cr S Patterson

That Council adopts a revised Development Contribution Plan Report for the Canning Vale Outline Development Plan, which includes a contribution rate of \$64,884/ha for common infrastructure works and a revised land value of \$1,950,000/ha for public open space contributions and the acquisition of other land, as contained in Appendix 13.2.2A.

CARRIED 11/0

FOR: Cr P Abetz, Cr A Adams, Cr C Brett, Cr J Brown, Cr G Dewhurst, Cr A Hort, Cr J Jones, Cr S Patterson, Cr O Searle, Cr E Zhang and Cr D Goode.

AGAINST: Nil.

STAFF RECOMMENDATION AND COUNCIL RESOLUTION (2 OF 5)

276 Moved Cr A Hort Seconded Cr S Patterson

That Council adopts a revised Development Contribution Plan Report for the Homestead Road Outline Development Plan, which includes a contribution rate of \$191,000/ha for common infrastructure works and a revised land value of \$1,050,000/ha for public open space contributions and the acquisition of public purpose land, as contained in Appendix 13.2.2B.

CARRIED 11/0

FOR: Cr P Abetz, Cr A Adams, Cr C Brett, Cr J Brown, Cr G Dewhurst, Cr A Hort, Cr J Jones, Cr S Patterson, Cr O Searle, Cr E Zhang and Cr D Goode.

AGAINST: Nil.

STAFF RECOMMENDATION AND COUNCIL RESOLUTION (3 OF 5)

277 Moved Cr A Hort Seconded Cr S Patterson

That Council adopts a revised Development Contribution Plan Report for the Maddington Road Precinct A and Maddington Road Precinct B Outline Development Plans, which includes a contribution rate of \$111,800/ha in Precinct A and \$88,200/ha in Precinct B for common infrastructure works, and revised land values of \$1,000,000 in Precincts A and B for public open space contributions, as contained in Appendix 13.2.2C.

CARRIED 11/0

FOR: Cr P Abetz, Cr A Adams, Cr C Brett, Cr J Brown, Cr G Dewhurst, Cr A Hort, Cr J Jones, Cr S Patterson, Cr O Searle, Cr E Zhang and Cr D Goode.

AGAINST: Nil.

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STAFF RECOMMENDATION AND COUNCIL RESOLUTION (4 OF 5)

278 Moved Cr A Hort Seconded Cr S Patterson

That Council adopts a revised Development Contribution Plan Report for the Southern River Precinct 1 Outline Development Plan, which includes a contribution rate of \$92,100/ha for common infrastructure works, as contained in Appendix 13.2.2D.

CARRIED 11/0

FOR: Cr P Abetz, Cr A Adams, Cr C Brett, Cr J Brown, Cr G Dewhurst, Cr A Hort, Cr J Jones, Cr S Patterson, Cr O Searle, Cr E Zhang and Cr D Goode.

AGAINST: Nil.

STAFF RECOMMENDATION AND COUNCIL RESOLUTION (5 OF 5)

279 Moved Cr A Hort Seconded Cr S Patterson

That Council adopts a revised Development Contribution Plan Report for the Southern River Precinct 2 Outline Development Plan, which includes a contribution rate of \$103,100/ha for common infrastructure works and a revised land value of \$1,200,000/ha for public open space contributions and the acquisition of public purpose land, as contained in Appendix 13.2.2E.

CARRIED 11/0

FOR: Cr P Abetz, Cr A Adams, Cr C Brett, Cr J Brown, Cr G Dewhurst, Cr A Hort, Cr J Jones, Cr S Patterson, Cr O Searle, Cr E Zhang and Cr D Goode.

AGAINST: Nil.

